



Glasgow Science Centre Charitable Trust
(A Charitable Company Limited by Guarantee and not having a Share Capital)

Annual Report and Financial Statements

31 March 2017



Registered number SC172371

Registered charity number SC025818

Annual Report and Financial Statements

Contents	Page
Trustees, Officers and Advisers	1 - 2
Annual Report of the Trustees	3 – 18
Independent Auditor's Report to the Members of Glasgow Science Centre Charitable Trust	19 –20
Consolidated Statement of Financial Activities (including Income and Expenditure Account)	21
Charity Statement of Financial Activities (including Income and Expenditure Account)	22
Consolidated and Charity balance sheet	23
Consolidated and Charity Statement of Cash Flows	24
Notes to the financial statements	25 – 36

Trustees, Officers and Advisers

Chairman

David Sibbald (appointed 21 November 2016)

Professor Sir Jim McDonald (resigned 21 November 2016)

Trustees

Dr K G Chrystie

Professor J Coggins OBE (resigned 21 November 2016)

J Downes

Dr W Duncan

Professor A Ferguson (resigned 21 November 2016)

A Gillespie

A Horn

S Hunter

S Patrick

H Reid OBE (resigned 21 November 2016)

Company Secretary

D McQueen

Audit Committee

Dr W Duncan (Chairman)

J G Wylie CA

Finance Committee

S Patrick (Chairman)

A Gillespie

Nominations Committee

A Horn (Chairman)

Dr S Breslin

S Patrick

Remuneration and Appointments Committee

J Downes (Chairman)

Dr W Duncan

Key Management Personnel

Dr S Breslin – Chief Executive

D McQueen – Director of Finance & Operations

Dr R Hoyle – Director of Science

G Rose – Creative Director

Dr G Lang – Deputy Director of Science

Independent Auditor

KPMG LLP

Chartered Accountants

319 St Vincent Street

Glasgow

G2 5AS

Trustees, Officers and Advisers

Bankers

The Royal Bank of Scotland plc
Sauchiehall Street Branch
23 Sauchiehall Street
Glasgow
G2 3AD

Solicitors

Burness
120 Bothwell Street
Glasgow
G2 7JL

Registered Office

50 Pacific Quay
Glasgow
G51 1EA

Registered Charity Number

SC025818

Company Number

SC172371

Annual Report of the Trustees

The Trustees present their annual report, strategic report and financial statements for the year ended 31 March 2017.

Structure, Governance and Management

Organisational Structure

Glasgow Science Centre Charitable Trust ('the charity') was incorporated on 17 February 1997 as a company limited by guarantee and without a share capital (number SC172371). The company is a registered Scottish Charity (number SC025818) and is governed by its Memorandum and Articles of Association.

The single member of the charity is Scottish Enterprise Glasgow, a company registered in Scotland. The member's liability is limited to £1.

Governance

The charity is governed by a Board of Trustees. The Trustees serving throughout the year and up to the date of signing of these financial statements are detailed on Page 1.

Trustees are appointed by the member but may also be co-opted by the existing Trustees. The responsibility for determining and overseeing the procedures for electing new Trustees has been delegated to the Nominations Committee, an elected group of existing Trustees. The member and all Trustees may also nominate new Trustees but such nominations are required to be approved by the Nominations Committee. Any Trustee co-opted by the existing Trustees must have their appointment approved by the member at the succeeding Annual General Meeting.

The recruitment of the Chair is undertaken by the Nominations Committee with support from an external recruitment agency and involves a transparent and open recruitment process with the post advertised in the national press.

At each Annual General Meeting, one third of the Trustees (other than the Chief Executive, if he/she is appointed as a Trustee) shall retire from office. The Trustees to retire in each year are those who have been longest in office since their last election. A retiring Trustee shall not be eligible to be appointed again until the second Annual General Meeting after that which he retires from office but may offer themselves for re-election to fill the vacated office if no other person is nominated. Such proposals are agreed by the Trustees and then presented to the member for approval.

All newly elected Trustees undergo an induction programme to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, business plan and recent financial statements. Copies of relevant technical releases relating to charity governance are circulated timeously to all Trustees.

Management

The main responsibilities of the Trustees are:

- Determining and agreeing the strategic direction and policies of the charity.
- Ensuring the charity is run lawfully in the interests of its member in accordance with its Memorandum and Articles of Association and that all its activities fall within its charitable purposes.
- Agreeing a financial budget and monitoring performance, determining plans to mitigate underperformance and ensuring that the charity has adequate resources to undertake its charitable activities.
- Identifying and assessing risks affecting the charity and determining plans to mitigate the risks wherever possible.
- Making accurate and prompt annual returns to the Registrar of Companies and the Office of the Scottish Charity Regulator (OSCR).
- Appointing and reviewing the performance of the Chief Executive.

Annual Report of the Trustees

The Board of Trustees meets every quarter to review reports from the Chief Executive and Director of Finance & Operations on the charity's operations and financial performance.

The Board is also assisted in the performance of its duties by four sub - committees;

- Audit Committee – Statutory accounts and external audits.
- Finance Committee – Financial stewardship.
- Nominations Committee – Trustee appointments.
- Remuneration and Appointments Committee – Remuneration and appointment of senior executives.

Each Committee is given delegated responsibility for its particular area of governance through an approved Terms of Reference and reports in full to the Board. The Committees are made up of existing Trustees and where appropriate other individuals with relevant expertise.

The day-to-day operations of the charity are delegated to the Chief Executive who is supported by a Director of Finance & Operations, Director of Science, Creative Director and a Deputy Director of Science.

The remuneration of the Key Management Personnel is agreed by the Remuneration and Appointments Committee (REMCO). The job pay ranges for all key personnel are set through a benchmarking exercise using external HR consultants to evaluate the job description for the respective posts. Once pay rates and job pay ranges are set the CEO reports on the progress of each of the other key management personnel in achieving their objectives on an annual basis to REMCO including any recommendation for a performance related pay increment. REMCO then consider the CEO's report and make recommendations to the Board for consideration and approval. In the case of the CEO the Chairman has responsibility for reporting and making any recommendations to REMCO for consideration and onward transmission to the Board.

Related Parties

As noted above, the charity is a subsidiary of Scottish Enterprise Glasgow. The charity also has two wholly owned subsidiaries:

- (a) Glasgow Science Centre Limited, a charity registered in Scotland, established to deliver the charity's core charitable activities, and
- (b) Glasgow Science Centre (Trading) Limited, a company registered in Scotland, established to deliver the wholly commercial activities of the charity. This company gift aids all of its profits to Glasgow Science Centre Limited.

The charity receives core operational funding from the Scottish Government (£934k in the year ended 31 March 2017) in accordance with the Scottish Government's Science Strategy for Scotland. The Scottish Government issues funding based on the Strategy and does not exercise, or have any general power to exercise, any control over the activities of the charity or its affairs and the Trustees do not consider it to be a related party to the charity.

The charity is the sole beneficiary of the Glasgow Science Centre Endowment Fund ('the Fund'), which is governed by a separate Board of Trustees representing Glasgow Science Centre Charitable Trust, Scottish Enterprise Glasgow and Glasgow City Council. This body was formed in 1999 for the purposes of funding the construction and renewal of the buildings and exhibitions of Glasgow Science Centre.

Risk Management

All major risks to which the charity is exposed are detailed in its Risk Register together with actions and responsibilities to mitigate or minimise the effect of these risks wherever possible. The risks are reviewed on an ongoing basis by the Key Management Personnel and any deviations reported to the Trustees through monthly operational reports.

The Trustees are satisfied that appropriate action, wherever possible, is being taken to mitigate or minimise the risks identified in the Risk Register.

Annual Report of the Trustees

Objectives and Activities

The charity's main objectives, as set out in the Articles of Association, are:

- (a) To advance the education of the general public, and in particular the inhabitants of Scotland, by promoting awareness and understanding of science and technology through the establishment and operation of a permanent exhibition and education centre;
- (b) To advance the education of the general public through the promotion of the principles of science and technology, their application and their potential for the creation of improved conditions of life worldwide.

The charity's vision, mission and ambition are as follows:

Our Vision - A Scotland where all people value science and technology to inform decision making, empower individuals and enrich lives.

Our Mission - To be an essential bridge between citizens and science and technology. To inspire people of all ages to explore and understand the world around them, to discover and enjoy science and understand its relevance to their own lives.

Our Ambition - To make a substantial contribution to the educational, economic and cultural development of Scotland.

The charitable company's main activity is to hold shares in its subsidiaries who in turn deliver the mission as stated above via the operation of Glasgow Science Centre ("GSC") and by carrying out commercial activities; all surpluses from commercial activities are re-applied in delivering the charity's mission.

GSC opened to the public in July 2001 and comprises three principal attractions, a Science Mall, Glasgow Tower and an IMAX cinema.

GSC currently employs a total of 211 staff split: 121 full-time staff, 31 part-time staff and 59 casual staff. The gender split of the total staff at the year-end is 126 (60%) female and 85 (40%) male. GSC is a 7 day a week operation for the majority of the year. Extended opening hours for all or part of the site are required on many days to accommodate evening science programmes and corporate events.

The charity's strategic and primary objectives to deliver its vision, mission and ambition during the current reporting period as set out in its Corporate Plan are based around 5 pillars of strategic focus:

1. Visitor Experience – Maximise accessibility and impact

- To achieve a total of 306,000 visitors to the Science Mall made up of 230,000 public visitors and 76,000 education in-reach participants.
- To achieve a total of 2,300 visitors to Glasgow Tower.
- From the above visitor numbers to achieve a total of 407,230 admissions made up of 306,000 to the Science Mall, 14,030 to the Tower and 87,200 to the Planetarium.
- To achieve 80,000 community and education outreach participants.
- To achieve 73,301 visitors to Whitelee Visitor Centre.
- Deliver a 5* customer experience.

2. Learning Resource – Creative and innovative learning experiences

- Refresh the exhibition stock on Floor 1 including further exhibits in the Space Zone.
- Continue to develop the My World of Work Live experience with the installation of new careers related exhibits on Floor 2.
- Complete the design, fabrication and installation of the Quantum Technologies exhibition on Floor 2 in partnership with Quantic.
- Refresh the Bodyworks on Tour exhibition stock.

Annual Report of the Trustees

- Review and update the Exhibition Masterplan and develop further exhibition and infrastructure refreshes subject to resource availability.
 - Roll out new CISCO telepresence equipment to deliver enhanced Meet the Expert experiences for our customers.
 - Continue to develop curriculum linked science engagement activities that meet the needs of schools.
 - Deliver Education & Public inreach programmes.
 - Deliver Education & Community outreach programmes.
- 3. *Partner of Choice - Building partnerships***
- Seek new and develop, expand and enhance our existing partnerships with Scottish Government, Glasgow City Council, Skills Development Scotland, GlaxoSmithKline, universities, colleges, other research institutions, other public sector bodies and industry.
 - Seek continuation of support from Glasgow City Council and West Dunbartonshire Council to fund free access for their primary and assisted needs schools and seek support from other local authorities and businesses in the West of Scotland to offer free access and transport subsidy to schools.
 - Work in partnership with local authorities, schools and teachers to promote and embed our 'Inspire and Challenge' approach to science teaching.
 - Continue to be an active partner of the Glasgow City of Science initiative.
 - To network with local communities and businesses to raise the profile of GSC in its locality to ensure the widest possible access by all groups of society.
- 4. *Profile – Building a strong profile that reflects excellence and credibility***
- Continue to develop and implement a communications, marketing and PR strategy to improve the profile of GSC including the development of the website.
- 5. *Operational Excellence – Commercially focussed and efficient organisation***
- Deliver a fundraising strategy to significantly improve, on a sustainable basis, the current return from unrestricted and restricted fundraising activities from all funding sectors i.e. public, charitable and industry.
 - Prepare an application for a major upgrade of our facilities and associated infrastructure for the new Inspiring Science Fund announced by the Department for Business, Energy & Industrial Strategy and the Wellcome Trust which has a UK wide budget of £30m.
 - Explore ways to become engaged in Horizon 2020 projects.
 - Continue to investigate and implement further operational efficiencies including a review of the existing management/staffing structure, pay policy, training/development of staff, volunteering programme and greater and more efficient use of ICT.
 - Complete the experience design and fabrication contracts for the Offshore Training Foundation and West Dunbartonshire Council. Complete the market research project for the experience design business and develop the business model to proactively seek and secure new contracts.
 - Achieve targets set for commercial income generation from IMAX property rental, Corporate Events, Whitelee Visitor Centre, Café, Shop and Car Parking operations and develop and implement proposals for the improvement in quality and financial return from these activities.

Annual Report of the Trustees

Strategic Report

Achievements and Performance

The Trustees are pleased to report good progress in delivery of the majority of the Corporate Plan objectives for 2016-17 despite continuing resource constraints.

Progress against the primary objectives for the year is noted below:

Visitor Experience – Maximise accessibility and impact

In-reach Visitors/Admissions

The table below summarises actual visitor numbers for the year split by activity together with the budgeted figure and the actual for the previous year:

Visitors/Participants	Actual 2016/17	Budget 2016/17	Variance	Actual 2015/16
Science Mall – Public	250,325	230,000	20,325	247,505
Tower – Public	2,006	2,300	(294)	2,331
Planetarium – Public	7,318	0	7,318	0
Education In-reach (incl. special events)	73,401	76,000	(2,599)	76,876
Total	333,050	308,300	24,750	326,712

Total visitor/participants at 333,050 were 24,750 or 8.0% ahead of budget and 6,338 or 1.9% ahead of the previous year (2016: 326,712) due primarily to a record year for public visitors to the Science Mall and Planetarium driven by an ever improving exhibit and programme offer including an extensive evening Planetarium programme partly offset by a shortfall in visitors to Glasgow Tower.

Included in the total education visitor numbers are 13,843 of school visitors (2016: 14,357) from remote, economically and/or socially disadvantaged communities who visited GSC as a result of transport subsidy provided by the Scottish Government.

Included in the total public visitor numbers are 2,686 participants (2016: 2,158) from remote, economically and/or socially disadvantaged communities who were engaged in community led activities through funding from the Scottish Government.

The table below summarises how visitor numbers translate into admission numbers for the year split by activity together with the budgeted figure and the actual for the previous year:

Admissions	Actual 2016/17	Budget 2016/17	Variance	Actual 2015/16
Science Mall – Public & Education	323,726	306,000	17,726	324,381
Tower – Public	10,752	14,030	(3,278)	12,331
Planetarium – Public & Education	98,628	87,200	11,428	73,917
Total	433,106	407,230	25,876	410,629

Total admissions at 433,106 were 25,876 or 6.4% ahead of budget due to the increase in Science Mall visitors and 22,477 or 5.5% ahead of last year (2016: 410,629).

Annual Report of the Trustees

Outreach (Bodyworks on Tour)

The table below summarises community and education outreach participation numbers for the year together with the budgeted figure and the actual for the previous year:

Participants	Actual 2016/17	Budget 2016/17	Variance	Actual 2015/16
Education	35,593	30,000	5,593	30,987
Community	51,150	50,000	1,150	30,820
Total	86,743	80,000	6,743	61,807

Total Bodyworks on Tour (BWOT) participants at 86,743 were 6,743 or 8.4% ahead of budget due to higher than expected schools and community activity. Participant numbers are 24,936 or 40.3% (2016: 61,807) ahead of previous year with the new and refurbished exhibits creating more capacity for increased activity.

Whitelee Visitor Centre

The table below summarises the actual visitor numbers for the year together with the budgeted figure and the actual for the previous year:

Visitors	Actual 2016/17	Budget 2016/17	Variance	Actual 2015/16
Public	71,387	67,450	3,937	71,462
Education	5,681	5,851	(170)	6,001
Total	77,068	73,301	3,767	77,463

Total visitors at 77,068 were 3,767 or 4.1% ahead of budget but 395 or 0.5% behind the previous year (2016: 77,463).

Customer Satisfaction/Impact

The overall customer satisfaction rating monitored through third party surveys for the Science Mall for the year has remained unchanged from the previous year at 8.73 out of 10 (Target: 8, 2016: 8.73).

The Evaluation Co-ordinator has continued to develop our evaluation and impact assessment processes during the year. A summary of the key findings is noted below:

- 85% of teachers rated pupils' learning as excellent.
- 84% of teachers agreed that their visit assisted them in delivering the 'Curriculum for Excellence'.
- 68% of teachers agreed that their pupils were more positive towards science as a result of their visit.
- 82% of visitors believe they learned something new from their visit.
- 77% of visitors believe their visit made them feel science is relevant to their life.
- 77% of visitors believe that Science Centres portray science more honestly than the media or government.
- 68% of visitors believe their visit made them more confident about science in general.
- 67% of visitors want to find out more about science following their visit.
- 66% of visitors find science more interesting following their visit.

Annual Report of the Trustees

Although the above gives strong indication of a significant impact being created by our activities further work is required to evaluate more closely the learning outcomes. Reactions to specific activities indicated the following:

- 81% of visitors to the Powering the Future exhibition indicated that they had learned about different energy sources.
- 80% of participants in the My World of Work workshops indicated that they had increased their awareness of real world applications of STEM related subjects.
- 72% of the participants in the Crunch, food, health and planet programme agreed that the activities had increased their awareness that our food, health and planet are all connected.
- 86% of participants in the community led engagement project indicated that they had learned new things.

All evaluation results will continue to be used to influence future exhibition and programme design and delivery.

Many of the impacts being experienced above are delivering key national outcomes for the Scottish Government including:

- To foster a culture of science in Scotland.
- To encourage more young people to pursue science study and careers.
- To raise awareness of the relevance and importance of science and enable informed decision-making and choices.
- To promote the national and international profile of Scottish science.
- To support knowledge exchange between education, industry, research communities and policy interests.

Our status as a 5 Star visitor attraction has been maintained throughout the year and renewed following a site inspection from Visit Scotland in May 2017.

Learning Resource – Creative and innovative learning experiences

Exhibit Refresh Programme

Floor 1 Refresh - In March 2017 the new "A Question of Perception" exhibition was opened to the public with 28 new exhibits around the theme of perception/illusion including an Ames Room and Wacky Saloon. In addition 3 new exhibits were added to the Space Zone outside the Planetarium.

My World of Work Careers Related Exhibits Floor 2 - Plans to create a permanent studio space and a range of careers related exhibits on Floor 2 in partnership with Skills Development Scotland have been cancelled due to challenges in reaching agreement on the final content and the respective ongoing responsibilities. However the existing temporary studio continues to be used to deliver an innovative suite of practical and careers management workshops to encourage visitors to try science and raise awareness of the exciting career opportunities in science, technology, engineering and maths.

Quantum Technologies Floor 2 - In May 2016 a new exhibition of 10 exhibits about quantum technologies called "Making the Invisible Visible" in partnership with QuantIC was opened.

Alopecia Research Capsule – In partnership with Strathclyde University, a research capsule in the Bodyworks exhibition developed and installed on the science relating to Alopecia.

Bodyworks on Tour - A total of 16 new portable exhibits were added to the Bodyworks on Tour exhibit stock with a number of existing exhibits also refurbished moving the focus of the experience to "body motion – active lifestyles" and "body vision – how the body reacts to disease/stresses".

Annual Report of the Trustees

Our World Our Impact - In partnership with SEPA we have created 4 new exhibits on the causes of air pollution, the harm it can cause to the human body and how air quality is measured and reported. In addition 2 further exhibits have been created as part of the OPAL project to introduce visitors to lichen which grows on trees and how it can be indicative of air quality in an area.

CISCO Telepresence - CISCO donated various telepresence equipment including two fixed 80" screens, two mobile 55" screens and four 22" desktop screens at a value of £134k. Work is underway to utilise this equipment to enhance and expand our Meet the Expert programme.

Education and Public In-reach Programmes

To supplement our exhibition offer an extensive high quality education programme was delivered throughout the year including innovative interactive shows, workshops and "Meet the Expert" activity. Key highlights include:

- A mixture of presenter led shows and full dome films delivered on a daily basis in the Planetarium with a total of 91,310 public and school visitors engaged. In addition an extensive special events programme has engaged a further 7,318 members of the public in various lecture programmes, Sci-Fi Sundays, astronomy clubs and adult night classes.
- Various science shows including 'Flame On' and 'Water, Water Everywhere' delivered to 51,896 public and school visitors.
- Various interactive workshops including 'Lung Dissection' and 'Electric Detectives' delivered to 42,593 public and school visitors.
- In partnership with Cineworld various education films including 'A Beautiful Planet 3D' and 'Hidden Universe 3D' shown to 12,241 school visitors.
- Extensive "Meet the Expert" programme of talks and demonstrations delivered by 430 experts showcasing science in Scotland including 'Mighty Microbes' and 'Seeing through steel with sound'.
- Destination Space programme was delivered to celebrate the Principia mission to the International Space Station including a visit and two lectures by British astronaut Tim Peake in October 2016 to give a first-hand account of the mission.
- Astronaut, Commander Chris Hadfield, gave an inspirational lecture to 358 secondary school pupils in October 2016 on his career and time on the International Space Station.
- In partnership with Skills Development Scotland the My World of Work Live programme designed to inspire young people's interest in careers in science, technology, engineering and maths was delivered to 29,904 public and school visitors.
- In partnership with Wellcome Trust and ASDC, the Crunch programme highlighting issues around food, health and our planet was delivered to 10,557 visitors.
- Under the banner CoderDojo Scotland coding workshops were delivered to 5,462 young people through various initiatives including 30 CoderDojo clubs throughout Scotland.
- 5 Little Explorers science engagement weekends were delivered to 6,968 preschool children and their families.
- In partnership with the UK Department of Business, Energy and Industrial Strategy, OPITO, Renewables UK, UK Onshore Oil and Gas and Nuclear Industry Association we have continued to create and maintain OurFuture.Energy online resources to support young people to become appreciative of the critical role of the UK energy sector, the basic science behind it and the challenges we face in balancing our energy supply and demand.
- In partnership with Glasgow, Strathclyde, Aberdeen and Edinburgh universities we hosted 'Explorathon' a European researchers' event showcasing science in Scotland to over 1,284 visitors.

Annual Report of the Trustees

- In partnership with Imperial College London and the Big Lottery Fund we have continued to deliver the OPAL (Open Air Laboratories) programme with 3,351 people able to get hands on with nature during the year.
- Various courses from 1 to 4 weeks long on topics such as 'A Healthy World', 'Energiser', 'Crime Scene Investigation' and 'Mindstorm Driving Test' have been delivered for various Community Groups through the Community Led Engagement Programme.
- Since March 2017 we have hosted the Wellcome Image Awards showcasing the best in science images.

Education and Community Outreach Programmes

The main Outreach activity continues to be the delivery of the Bodyworks on Tour outreach programme delivered in partnership with GSK to education and community groups throughout the country. Key achievements during the period included:

- The launch of new exhibits and science shows in the Scottish Parliament in November 2016.
- Attendance at nine Science Festivals around the country including the Big Bang (the UK Young Scientists' and Engineers Fair in Birmingham).
- Attendance at music, sport and cultural events including the Glasgow Mela, the Scottish Young Carers Festival and Wee Write Festival.

Partner of Choice – Building Partnerships

As well as the many partnerships highlighted above that have assisted with the delivery of creative and innovative learning experiences the following additional partnerships have continued to develop/deliver during the year:

- Free Schools Access – working in partnership with Glasgow City Council/West Dunbartonshire Council to increase accessibility to GSC with both Councils directly meeting the costs of one visit per year for all their primary and assisted needs school pupils. Efforts continue to encourage other local authorities to adopt the same approach.
- Education Co-ordinator – in partnership with the Royal Society for Chemistry a GSC based West of Scotland Education Co-ordinator has been appointed to promote Chemistry.
- Glasgow City of Science and Innovation – GSC continues to an active partner along with 96 other partners (including Glasgow City Council and Glasgow, Strathclyde, Glasgow Caledonian and West of Scotland Universities) in this initiative aimed at placing Glasgow and the West of Scotland on the global science and innovation map.
- David Elder Lecture series – working in partnership with the University of Strathclyde to deliver a programme of lectures by world renowned astronomers.
- STEM Hubs – worked in partnership with West Dunbartonshire Council to create an integrated learning environment in St Patrick's Primary School, train their teachers in our Inspire and Challenge approach to science learning and create science lessons to be delivered by the teachers in the new learning environment. Discussions are ongoing on the possible development of further STEM Hubs.
- Research Collaborations – working in partnership with Edinburgh University to communicate their research on lung disease (Proteus) and Heriot Watt University to communicate their research on cataracts (Catacure) as part of our Bodyworks exhibition.
- Community Groups/Local Businesses – During the year as part of the Scottish Government funded community led engagement programme we have engaged with 59 community groups representing 3,686 participants including Princes Trust, Glasgow Disability Alliance, Annexe Healthy Living and British Deaf Association. Key topics identified by the groups included, health and wellbeing, literacy and numeracy, energy efficiency and the environment.

Annual Report of the Trustees

Profile – Building a strong profile that reflects excellence and credibility

Record visitor numbers and the number of partners now engaging with GSC provides evidence of the strong profile developed over the last few years. Key initiatives to sustain and enhance this profile during the year have included:

- Extensive use of social media and digital channels including our website which is now undergoing a major fresh.
- Distribution of What's On and Primary and Secondary Education guides throughout Scotland and various consumer campaigns using PR, digital, radio, print and outdoor advertising.
- Utilisation of our large LED Display Screen at front of Science Mall to promote our activities particularly to passing trade to the very busy SSE Hydro concert venue.
- Production and distribution of our regular events newsletter 'The Science Messenger' and monthly stakeholder newsletter 'Mercury'.
- A high profile "in house" a Question of Science dinner in October 2016 with guest speaker Commander Chris Hadfield entertaining over 400 guests.
- Regular articles by staff published in the press and magazines.

Operational Excellence – Commercially focussed and efficient organisation

Fundraising Strategy

Work is ongoing to sustain and enhance existing funding streams and to develop new funding streams. In terms of fundraising success during the year, it's been a very challenging year with success rates from funding applications lower than in past years. The following significant funding commitments were however secured:

- £1,024,000 from the Scottish Government to deliver a science engagement to the public and education visitors including £45,000 to provide transport subsidy to schools in remote and deprived areas and £45,000 to fund community led engagement.
- £175,000 from the GSC Endowment Fund to fund various capital renewals.
- £72,416 from the Scottish Government to fund various digital initiatives.
- £70,000 from Glasgow City Council for free access for primary schools.
- £49,000 from SEPA to fund new exhibits.

Partly offset by:

- Repayment of £221,066 of capital grants to Skills Development Scotland for MWOW Studio and Exhibits following decision to cancel these projects.

Please note that although all of the above grant commitments have been secured the grant or proportion of the grant is only recognised in the financial statements when the performance related conditions have been met.

Inspiring Science Fund

A significant application was submitted to the £30m Inspiring Science Fund set up by the UK Department for Business, Energy and Industrial Strategy and Wellcome Trust however it was unsuccessful in progressing to the second stage. The general idea of our application was positively received but requires further work and we have been invite to resubmit the application in the second round later in 2017.

European Funding

In partnership with Esplora Science Centre in Malta and others a funding application was submitted in March 2017 to the Erasmus+ programme for a project which aims to raise awareness and interest in STEM employment. A response is expected later in 2017.

Annual Report of the Trustees

Café Refurbishment

The refurbishment of main café was completed in June 2017 at a cost of £182k. The works included a new layout, the creation of a ground floor kitchen, new furniture, brand, graphics, AV and menu. Since its reopening there has been a significant uplift in customer throughput and in May 2017 'Taste our Best' accreditation was awarded by Visit Scotland.

ICT Upgrade

The ICT network has been upgraded with the installation of new network switches, firewall and enhancement of wi-fi capabilities for customers. In addition network capacity has been increased through the purchase of significant additional memory and the EPOS systems within the café and shop has been upgraded to bring them in line with our ticketing software.

Staff Structure/Management Practices and Procedures

The following has been achieved during the year:

- A list of Values and Behaviours that all staff should exhibit within the work place have been developed and agreed and will shortly be rolled out throughout the organisation.
- A Managers toolkit has been developed by the HR department to assist Managers with the interpretation and implementation of policies and procedures.
- During the year volunteers spent over 1,000 hours in assisting our staff develop, deliver and evaluate our exhibitions and programmes. In addition, 430 experts contributed 890 hours for our "Meet the Expert" programmes.

Experience Design Services

The market research project for our Experience Design Services has been completed with the identification of a number of potential markets for exploitation. Marketing collateral has since been produced which will assist in gradually growing the level of commercial income from this business area over the next few years.

During the year contracts with West Dunbartonshire Council for the creation of a STEM Hub, and the Oil & Gas Technology Centre for a costed design of a technology network hub were successfully completed. The contract with the Offshore Training Foundation for the creation of online resources for the UK Energy Sector has been extended for a further 6months.

Other Commercial Activities

Income from other commercial activities was behind target due mainly to lower than expected corporate events activity.

Financial Review

It has been a reasonable year for the group in financial terms with operational performance, measured by the change in unrestricted financial reserves, £57,716 ahead of budget at a deficit of £300,783 (Budgeted deficit: £358,499).

Income

Total income decreased by £1,540,662 or 17.2% on last year to £7,409,288 (2016: £8,949,950) due mainly to the following:

- decrease in other trading activities income of £410,994;
- decrease in investment income of £1,411;
- decrease in grant income for charitable activities of £1,422,644; and
- decrease in other income of £43,291.

Partly offset by:

- increase in donation and legacy income of £145,195; and

Annual Report of the Trustees

- increase in admissions income for charitable activities of £192,483.

Donation and Legacy Income

Donation and legacy income increased by £145,195 or 36.0% to £548,284 (2016: £403,089) due to mainly to a significant 'in kind' donation of telepresence kit and installation services from CISCO and Provista.

Other Trading Activities

Income from other trading activities decreased by £410,994 or 12.7% to £2,830,156 (2016: £3,241,150) due mainly to the following:

- decrease in income from the sale of experience development services of £236,806 or 55.6% to £188,814 (2016: £425,620) following completion of a major contract at the Royal Hospital for Children; and
- decrease in corporate events income of £229,117 or 19.8% to £926,333 (2016: £1,155,450) due to a general downturn in the events market and increased competition.

Investment Income

Investment income from interest on cash balances has decreased by £1,411 or 37.7% to £2,143 (2016: £3,554) due to lower cash balances being held during the year as advance grant funding was utilised.

Charitable Activities – Admissions

Income from admissions increased by £192,483 or 11.9% to £1,806,231 (2016: £1,613,748) due mainly to a significant increase in Planetarium admissions including many evening special events during its first full year of operation following its digital upgrade and an increase in admission prices for the Science Mall (including Season Ticket holders) and Planetarium.

Charitable Activities - Grants

Grant income for capital and major repair projects decreased by £1,485,690 or 77.8% to £424,119 (2016: £1,909,809) due to the lack of any major exhibit refresh project (2016: Powering the Future exhibition and Digital Planetarium Upgrade).

Grant income for revenue projects increased by £63,046 or 3.6% to £1,791,646 (2016: £1,728,600) due mainly to increased projects activity particularly Outreach.

Other Income

Other income the sale of the fully written down surplus fixed assets decreased by £43,291 or 86.6% to £6,709 (2016: £50,000 sale of the fully written down Zeiss Starball following the digital upgrade of the Planetarium).

Expenditure

Total expenditure increased by £326,356 or 3.3% to £10,078,487 (2016: £9,752,131) due to the following:

- increase in expenditure on charitable activities of £617,954.

Partly offset by:

- decrease in expenditure on raising funds of £291,598.

Raising Funds

Expenditure on raising funds decreased by £291,598 or 10.8% to £3,026,951 (2016: £3,318,549) due mainly to the significantly decreased level of other trading activity during the year.

Annual Report of the Trustees

Charitable Activities

Expenditure on charitable activities increased by £617,954 or 9.6% to £7,051,536 (2016: £6,433,582).

Expenditure on direct charitable activities increased by £304,643 or 6.1% to £5,272,068 (2015: £4,967,425) due mainly to the increased staffing required to deliver core and project based activity.

Expenditure on charitable activities support costs increased by £313,311 or 21.4% to £1,779,468 (2016: £1,466,157) due to a significant drop in support staff working on project based activity and increased depreciation from a number of new infrastructure capital renewals.

Staff Costs

Total staff costs have increased by £333,274 or 9.0% to £4,048,966 (2016: £3,715,692) due mainly to a 7.5% cost of living increase for lower paid staff to more than meet the requirements of the new National Living Wage, a 2% cost of living pay increase for all other staff and increased staff numbers to assist with new projects/initiatives and core operations.

The average FTE staff numbers have increased by 10 to 165 (2016: 155) during the year.

Operating Deficit

An operating deficit of £2,669,199 (2016: £802,181) was incurred in the year primarily due to the depreciation of buildings, exhibits and equipment.

The operating deficit is made up of a deficit of £300,783 (2016: surplus £218,499) in unrestricted funds and a deficit of £2,368,416 (2016: deficit £1,020,680) in restricted funds.

Capital Expenditure

Capital expenditure of £949,277 (2016: £2,155,390) was incurred in the year mainly on the following:

- refurbishment of main cafe;
- renewals and enhancements to the ICT network;
- upgrade of the sprinkler system within the buildings;
- creation of various new exhibits in the Science Mall including Quantum Technologies, Space, Environmental and Question of Perception exhibits; and
- new and refurbished Bodyworks on Tour Outreach exhibits.

As well as the new exhibition stock created/purchased during the year various refurbishments have been made to older stock with exhibits beyond economic repair and obsolete scrapped to make way for new or refurbished exhibits.

Financial Reserves

Total financial reserves at 31 March 2017 were £23,741,538 (2016: £26,410,737) representing unrestricted funds of £749,315 (2016: £1,050,098) and restricted funds of £22,992,223 (2016: £25,360,639).

At 31 March 2017 the unrestricted funds of £749,315 are all held in a general unrestricted financial reserve.

During the year designated funds of £358,499 from the opening unrestricted financial reserves were utilised to assist with the refurbishment of the cafe, the renewal and enhancement of the ICT network and upgrade of the sprinkler system with the remaining funds undesignated.

Financial Reserves Policy

The charity's unrestricted (general) financial reserves policy is as follows:

Annual Report of the Trustees

“To retain sufficient unrestricted funds to allow Glasgow Science Centre (GSC) to be managed effectively, ensure the uninterrupted delivery of its Corporate Strategy and avoid the necessity of realising fixed assets held for its use. To achieve this GSC estimates that, following a review of its Risk Register, unrestricted funds of £580,000 should be retained as financial reserves. This level represents cover for 3 months matching funding for core mission activities, administration and support costs.”

At £749,315 the charity's general unrestricted financial reserves are above the level identified however given uncertainties regarding the future level (post 2017/18) of Scottish Government funding support the Trustees believe it to be prudent to hold a higher level of financial reserves in the short term.

The financial reserves policy is reviewed by the Trustees on an annual basis.

Plans for Future Periods

The Corporate Plan for 2017 – 18 sets out the following main targets:

- Visitor and admission numbers of 316,000 and 408,159 respectively to the Science Mall and Planetarium including 72,000 in-reach education participants.
- Visitor and admissions numbers of 2,000 and 11,075 respectively to Glasgow Tower.
- Planetarium only visitors to special events of 15,070.
- 80,000 education and community outreach participants for the Bodyworks on Tour programme.
- 75,978 education and public visitors to Whitelee Visitor Centre.
- Further refreshes of exhibition stock on floor 1.
- Roll out of new brand and upgraded website including refreshing wayfinding and signage around the building and in the GSC shop.
- Purchase and roll out a CRM system which is compatible with other GSC software packages.
- Refurbish the main toilets on the ground floor.
- Review and update the Exhibition Masterplan and develop and implement further exhibit and infrastructure refreshes subject to resource availability.
- Continue to develop curriculum linked science engagement activities that meet the needs of our education visitors.
- Continue to be an active partner of the Glasgow City of Science and Innovation initiative.
- Seek new and develop, expand and enhance our existing partnerships with the Scottish Government, Glasgow City Council, Skills Development Scotland, GlaxoSmithKline, universities, colleges and other research institutions, other public sector bodies and industry.
- Seek continuation of support from Glasgow City Council and West Dunbartonshire Council to fund free access for primary and assisted needs schools and seek support from other local authorities and businesses in the West of Scotland to offer free access and transport subsidy to other schools.
- Work in partnership with local authorities, schools and teachers to promote and embed our 'Inspire and Challenge' approach to science teaching.
- Continue to develop and implement a communications, marketing and PR strategy to improve the profile of GSC.
- Continue to implement a fundraising strategy to improve, on a sustainable basis, the current return from unrestricted and restricted fundraising activities from all funding sectors i.e. public, charitable and industry.

Annual Report of the Trustees

- Resubmit an application to the Inspiring Science Fund.
- Develop concepts for new Idea 59 exhibition on Floor 2 to showcase cutting edge technologies being developed in Scotland and seek funding for implementation.
- Review the current Outreach operating model and develop options for the creation and delivery of a more sustainable and expanded operating model.
- Continue to investigate and implement further operational efficiencies including a review of the existing management/staffing structure, pay policy, training/development for staff, volunteering programme and greater and more efficient use of ICT.
- Achieve targets set for commercial income generation from IMAX property rental, Corporate Events, Whitelee Visitor Centre, Retail Café and Shop, Experience Design Services and Car Parking operations and develop and implement proposals for the improvement in the quality and financial return from these activities.

Principal Risks and Uncertainties

The Trustees believe the principal risks and uncertainties for the charity to be:

- Significant reduction in the level of core funding support from the Scottish Government; and
- Failure to secure sufficient funding from third parties to enable continual development of the exhibition stock and programming offer which in turn leads to a significant reduction in the number of paying customers.

The Scottish Government has confirmed core funding of £904,000 for financial year 2017/18, a decrease of 3.2%. The Trustees expect significant support from the Scottish Government to continue but it appears likely that this will reduce in future years and hence there is a need to secure more funding from other sources.

The last few years have seen significant progress in the refresh of the customer experience resulting in record visitor numbers in 2016/17. With plans in place to complete further enhancements to the customer experience during 2017/18 it appears unlikely that there will be a significant drop in visitor numbers in the short term.

The above principal risks and uncertainties form part of the Risk Register which is monitored by the Trustees and Key Management Personnel.

Going Concern

The Trustees are of the opinion that, taking into consideration the committed Scottish Government funding for 2017/18 and the current economic outlook, forecast earned revenues and unrestricted financial reserves are sufficient for the charity to be considered as a going concern.

Thanks

The Trustees are grateful for the continued support of GSC's many partners in the delivery of its mission and extends its thanks to all staff and volunteers for their hard work over the year.

Special thanks to retiring Chairman, Professor Sir Jim McDonald, whose leadership and guidance have been invaluable in dealing with the many challenges faced by GSC over the last 5 years and to the other Trustees retiring at this time, Vice Chair – Professor John Coggins, Professor Allister Ferguson and Heather Reid OBE, for their significant contributions during their time as Trustees.

The Trustees also wish to thank all of the charity's corporate, statutory and charitable funders for their continuing support, in particular the Scottish Government, GlaxoSmithKline, Skills Development Scotland, GSC Endowment Fund, Glasgow City Council, CISCO, University of Glasgow, SEPA, Association for Science and Discovery Centres, Big Lottery Fund/Imperial College London, Royal Society of Chemistry, University of Strathclyde, West Dunbartonshire Council, Provista, Scottish Power, University of West of Scotland, National Grid, Glasgow Chamber of Commerce, Wellcome Trust and Scottish Enterprise.

Annual Report of the Trustees

Statement of Trustees' responsibilities in respect of the Annual Report of the Trustees and the financial statements

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that year. In preparing each of the group and charitable company financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

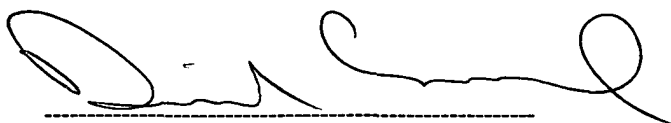
Auditor

In accordance with section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approval

The Trustees acknowledge that the signing of this report also approves the Strategic Report in their capacity as company directors.

For and on behalf of Board of Trustees



David Sibbald

Trustee and Chairman of the Board

7 June 2017

Independent auditor's report to the Trustees and Members of Glasgow Science Centre Charitable Trust

We have audited the financial statements of Glasgow Science Centre Charitable Trust for the year ended 31 March 2017 set out on pages 21 to 36. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its trustees as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information in the Annual Report of the Trustees', which constitutes the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Annual Report of the Trustees':

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the Trustees and Members of Glasgow Science Centre Charitable Trust (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Andrew Shaw (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

319 St Vincent Street
Glasgow
G2 5AS

Date: *28 June 2017*

Consolidated Statement of Financial Activities (including Income and Expenditure Account)

For the year ended 31 March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income from:					
Donations and legacies	2	397,313	150,971	548,284	403,089
Other trading activities	3	2,830,156	-	2,830,156	3,241,150
Investment income	4	2,143	-	2,143	3,554
Charitable activities:					
Admissions	5	1,806,231	-	1,806,231	1,613,748
Grants	6	934,000	1,281,765	2,215,765	3,638,409
Other income	7	-	6,709	6,709	50,000
		<u>5,969,843</u>	<u>1,439,445</u>	<u>7,409,288</u>	<u>8,949,950</u>
Expenditure on:					
Raising Funds		2,941,042	85,909	3,026,951	3,318,549
Charitable activities					
Science Mall	10	2,299,916	2,334,852	4,634,768	4,279,052
IMAX Cinema	10	-	325,995	325,995	325,995
Tower	10	303,500	531,092	834,592	815,489
Education programmes	10	358,690	897,491	1,256,181	1,013,046
		<u>5,903,148</u>	<u>4,175,339</u>	<u>10,078,487</u>	<u>9,752,131</u>
Net income/(expenditure)		<u>66,695</u>	<u>(2,735,894)</u>	<u>(2,669,199)</u>	<u>(802,181)</u>
Transfers between funds	13	<u>(367,478)</u>	<u>367,478</u>	<u>-</u>	<u>-</u>
Net movement in Funds		<u>(300,783)</u>	<u>(2,368,416)</u>	<u>(2,669,199)</u>	<u>(802,181)</u>
Reconciliation of funds:					
Total funds brought forward		<u>1,050,098</u>	<u>25,360,639</u>	<u>26,410,737</u>	<u>27,212,918</u>
Total funds carried forward		<u><u>749,315</u></u>	<u><u>22,992,223</u></u>	<u><u>23,741,538</u></u>	<u><u>26,410,737</u></u>

The above results are wholly derived from continuing activities. The loss for the year for Companies Act purposes comprises the deficit of unrestricted income over expenditure/transfers and totals £300,783 (2016: profit £218,499)

The statement of financial activities includes all gains and losses recognised in the year.

There is no difference between the results for the year and the results for the year based on their historical cost equivalent.

The notes on pages 25 to 36 form part of these financial statements.

Charity Statement of Financial Activities (including Income and Expenditure Account)

For the year ended 31 March 2017

	Unrestricted Total 2017 £	Unrestricted Total 2016 £
Expenditure on:		
Raising Funds	68	73
	<u>68</u>	<u>73</u>
Net expenditure	(68)	(73)
Transfers between funds	-	-
	<u>-</u>	<u>-</u>
Net movement in Funds	(68)	(73)
Reconciliation of funds:		
Total funds brought forward	321	394
	<u>321</u>	<u>394</u>
Total funds carried forward	<u>253</u>	<u>321</u>

The above results are wholly derived from continuing activities. The deficit for the year for Companies Act purposes comprises the deficit of unrestricted income over expenditure/transfers and totals £68 (2016: Deficit £73)

The statement of financial activities includes all gains and losses recognised in the year.

There is no difference between the results for the year and the results for the year based on their historical cost equivalent.

The notes on pages 25 to 36 form part of these financial statements.

Consolidated and Charity balance sheet

As at 31 March 2017

	Notes	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed assets:					
Tangible fixed assets	15	22,953,143	25,317,366	-	-
Investment in subsidiary undertakings	16	-	-	3	3
		<u>22,953,143</u>	<u>25,317,366</u>	<u>3</u>	<u>3</u>
Current assets:					
Stock		110,877	117,731	-	-
Debtors	17	906,970	1,124,125	-	-
Cash at bank and in hand		<u>1,226,507</u>	<u>1,970,854</u>	<u>250</u>	<u>318</u>
		2,244,354	3,212,710	250	318
Liabilities:					
Creditors: amounts falling due within one year	18	<u>(1,455,959)</u>	<u>(2,119,339)</u>	<u>-</u>	<u>-</u>
Net current assets		<u>788,395</u>	<u>1,093,371</u>	<u>250</u>	<u>318</u>
Total net assets		<u><u>23,741,538</u></u>	<u><u>26,410,737</u></u>	<u><u>253</u></u>	<u><u>321</u></u>
The funds of the charity					
Restricted funds	19	22,992,223	25,360,639	-	-
Unrestricted funds	20	<u>749,315</u>	<u>1,050,098</u>	<u>253</u>	<u>321</u>
		<u><u>23,741,538</u></u>	<u><u>26,410,737</u></u>	<u><u>253</u></u>	<u><u>321</u></u>

The notes on pages 25 to 36 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 7 June 2017 and signed on their behalf by:



David Sibbald
Trustee and Chairman of the Board

7 June 2017

Consolidated and Charity Statement of Cash Flows

For the year ended 31 March 2017

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Cash flows from operating activities:				
Net cash provided by/(used in) operating activities (see below)	196,078	2,302,700	(68)	(73)
Cash flows from investing activities:				
Dividends, interest and rents from investments	2,143	3,554	-	-
Proceeds from sale of fixed assets	6,709	50,000	-	-
Purchase of fixed assets	(949,277)	(2,155,390)	-	-
Net cash used in investing activities	(940,425)	(2,101,836)	-	-
Change in cash and cash equivalents in the year	(744,347)	200,864	(68)	(73)
Cash and cash equivalents at the beginning of the year	1,970,854	1,769,990	318	391
Cash and cash equivalents at the end of the year	1,226,507	1,970,854	250	318
Reconciliation of net income/(expenditure) to net cash flow from operating activities				
Net expenditure for the year (as per the statement of financial activities)	(2,669,199)	(802,181)	(68)	(73)
Adjustments for:				
Depreciation charge	3,313,500	3,151,382	-	-
Dividends, interest and rents from investments	(2,143)	(3,554)	-	-
Profit on the sale of fixed assets	(6,709)	(50,000)	-	-
Decrease/(Increase) in stocks	6,854	(8,196)	-	-
Decrease in debtors	217,155	799,696	-	-
Increase in creditors	(663,380)	(784,447)	-	-
Net cash provided by/(used in) operating activities	196,078	2,302,700	(68)	(73)

The notes on pages 25 to 36 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2017

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Glasgow Science Centre Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of financial statements on a going concern basis

The Trustees are of the opinion that, taking into consideration the committed Scottish Government funding for 2017/18 and the current economic outlook, forecast earned revenues and unrestricted financial reserves are sufficient for the charity to be considered as a going concern.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings Glasgow Science Centre Limited and Glasgow Science Centre (Trading) Limited made up to 31 March each year.

Fixed assets

All fixed assets are included at historical cost with the exception of freehold land which is included at valuation. Fixed asset additions below £500 are not normally capitalised unless they are part of a larger fixed asset. A review of impairment of all fixed assets is undertaken on an annual basis with appropriate write down incorporated if required.

The cost of tangible fixed assets, other than construction in progress, is written off by means of the straight line basis over their expected useful lives as follows:

Buildings	-	25 years
Exhibits	-	3 -10 years
Plant and equipment	-	5 -10 years
Computer equipment	-	3 years

Stocks

Stocks are stated at the lower of cost and net realisable value.

Pension Scheme

The group operates a stakeholder (money purchase) pension scheme on behalf of its employees through Friends Provident. No employer's contribution is normally made however employees had the option of dispensing with their cost of living salary increase in return for an employer's contribution of the same amount to the scheme. This option has now been removed for future cost of living increases following the introduction of the People's Pension but existing arrangements will continue to be honoured.

From 1 April 2014 all eligible employees were auto enrolled in the People's Pension with non-eligible and entitled employees also free to join. An initial employer' contribution of 1% on all earnings is being made by the Group.

Notes to the financial statements

For the year ended 31 March 2017

Funds

Funds are classified as restricted or unrestricted in the Statement of Financial Activities as defined as follows:

Restricted Funds – expendable for specific purposes declared by the donor.

Unrestricted Funds – expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Designated Funds – unrestricted funds designated for a specific purpose by the Trustees.

Transfers - transfer between funds relate to the release of unrestricted or designated income to cover expenditure that has been classified in the SOFA as restricted.

Income and endowments

Donations and legacies

Donations and legacies include all income received by the charity that is, in substance, a gift made to it on a voluntary basis which does not provide any significant benefit to the donor in return for their payment other than the knowledge that the charity must use the gift to further its purpose. Income is recognised when the charity has entitlement, the income has been received or it's probable that it will be received and the amount can be measured reliably and is not deferred.

Other trading activities

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events. This income is received in exchange from the supply of goods and services in order to raised funds for the charity. Income is recognised when the charity has entitlement, the income has been received or it's probable that it will be received and the amount can be measured reliably and is not deferred.

Investment income

Investment income is earned from holding assets for investment purposes and includes dividends, interest and rents from investment property. It is recognised when receivable.

Charitable activities - admissions

Income from visitor admissions principally represents tickets sold for daily admissions or annual season tickets. Daily admissions income is recognised by ticket date while season ticket income is spread evenly throughout the year.

Charitable activities - grants

Grants for charitable activities are performance related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Grants whether "capital grants" or "revenue grants" are only recognised when the charity has entitlement, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income

Other income is recognised when received.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by the charity in raising funds for its charitable purpose. It includes the costs of all fundraising activities and other trading activities.

Notes to the financial statements

For the year ended 31 March 2017

Charitable Activities

Expenditure on charitable activities includes both direct charitable expenditure and an appropriate proportion of support costs for the charity's four main activities: science mall, IMAX, tower and education programmes.

Support Costs

Support costs include marketing, facilities management, information technology, finance, human resources, management and corporate governance. These costs are allocated across fundraising expenditure and the four categories of charitable expenditure on the basis of the direct expenditure incurred.

Operating Leases

Operating lease rentals are charged to the financial statements as they fall due.

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. Donations and legacies

	Unrestricted and Restricted funds	
	2017	2016
	£	£
Gift Aid - Income Tax Recovered	214,377	233,236
Donations	333,907	169,853
	<u>548,284</u>	<u>403,089</u>

3. Other trading activities

	Unrestricted funds	
	2017	2016
	£	£
Corporate events	926,333	1,155,450
Retail - Cafe	479,740	428,994
Management Fees - Whitelee Visitor Centre	323,949	308,093
Car parking	317,492	345,402
Retail - Shop and Vending	312,816	334,547
Property rental and service charge - IMAX Cinema	244,462	254,363
Exhibition and programme services	188,814	425,620
Sponsorship	27,500	-
Berthing charges	5,554	(26,932)
Property rental - other	3,496	15,613
	<u>2,830,156</u>	<u>3,241,150</u>

Notes to the financial statements

For the year ended 31 March 2017

4. Investment income

	Unrestricted funds	
	2017	2016
	£	£
Bank interest	2,143	3,554

5. Charitable Activities - Admission income

	Unrestricted funds	
	2017	2016
	£	£
Science Mall	1,600,729	1,389,177
Education programmes	174,142	187,642
Tower	31,360	36,929
	<u>1,806,231</u>	<u>1,613,748</u>

6. Charitable Activities - Grants

	Unrestricted and Restricted funds	
	2017	2016
	£	£
Capital and Major Repairs		
Exhibitions - Scottish Government	-	250,000
Exhibitions - other	339,404	1,375,232
Planetarium digital upgrade	-	200,000
Other capital and repairs funding	84,715	84,577
	<u>424,119</u>	<u>1,909,809</u>
Programme development and delivery		
Scottish Government	1,093,694	1,140,495
Other programme development and delivery funding	697,952	588,105
	<u>1,791,646</u>	<u>1,728,600</u>
	<u>2,215,765</u>	<u>3,638,409</u>

7. Other income

	Restricted funds	
	2017	2016
	£	£
Profit on sale of assets	6,709	50,000

Notes to the financial statements

For the year ended 31 March 2017

8. The deficit for the year is stated after charging:

	2017 £	2016 £
Auditor's remuneration:		
- Audit of these financial statements	1,000	1,000
- Audit of subsidiaries' financial statement pursuant to legislation	8,250	8,250
Trustees' liability insurance	6,165	5,968
Trustees' remuneration	-	-
Depreciation - owned assets	3,313,500	3,151,382

The audit fee for Glasgow Science Centre Charitable Trust was met by its subsidiary, Glasgow Science Centre Limited.

9. Staff costs, Trustee remuneration and expenses and the cost of key management personnel

	2017 £	2016 £
Wages and salaries	3,710,042	3,399,056
Social security costs	293,292	265,044
Pension costs	45,632	41,578
Redundancy costs	-	10,014
	<u>4,048,966</u>	<u>3,715,692</u>

	No.	No.
Average number of employees		
Customer experience	50	45
Science	25	25
Retail/Corporate Hospitality/Catering/Whitelee	45	39
Facilities/Exhibits	32	33
Support	13	13
	<u>165</u>	<u>155</u>

No Trustee received any remuneration during the year (2016: £0).

No Trustee was reimbursed for any out of pocket travel and subsistence expenses (2016: £0).

One individual employee earned remuneration (excluding pension contributions) in the range of £60,000 - £70,000 (2016: one), one earned remuneration (excluding pension contributions) in the range of £70,000 - £80,000 (2016: one), one earned remuneration (excluding pension contributions) in the range of £80,000 - £90,000 during the year (2016: one) and one earned remuneration (excluding pension contributions) in the range £100,000 - £110,000 (2016: one).

The key management personnel of the charity, comprise the trustees, Chief Executive, Director of Finance & Operations, Director of Science, Creative Director and Deputy Director of Science. The total remuneration including pension contributions of the key management personnel of the charged in these accounts was £378,593 (2016: £358,546).

Pension contributions of £11,923 (2016: £10,996) via salary sacrifice were made on behalf of employees to the Friends Provident stakeholder pension scheme.

Notes to the financial statements

For the year ended 31 March 2017

Employers' pension contributions of £33,709 (£2016: £30,582) on behalf of enrolled employees were made to the People's Pension Fund.

A total of £51,213 (2016: £282,799) of the staff costs noted above relating to the development, building and installation of new exhibitions have been capitalised.

10. Expenditure on charitable activities

	Science Mall £	IMAX Cinema £	Tower £	Education £	Unrestricted and restricted funds	
					2017 Total £	2016 Total £
Direct expenditure						
Staff and associated costs	1,004,348	-	46,432	655,473	1,706,253	1,432,970
Other costs	37,786	-	-	129,600	167,386	147,364
Maintenance & repairs	15,888	-	53,203	707	69,798	89,136
Supplies/consumables	88,191	-	6,365	27,111	121,667	141,626
Communication costs	10,617	-	368	8,591	19,576	89,123
Travel & subsistence	17,547	-	-	35,141	52,688	39,459
Legal & professional	500	-	-	57,088	57,588	6,580
Finance charges	19,483	-	-	-	19,483	22,205
Administration	10,813	-	-	10,105	20,918	11,116
Depreciation	2,203,311	325,995	507,405	-	3,036,711	2,987,846
	<u>3,408,484</u>	<u>325,995</u>	<u>613,773</u>	<u>923,816</u>	<u>5,272,068</u>	<u>4,967,425</u>
Support costs (see note 12)	1,226,284	-	220,819	332,365	1,779,468	1,466,157
	<u>4,634,768</u>	<u>325,995</u>	<u>834,592</u>	<u>1,256,181</u>	<u>7,051,536</u>	<u>6,433,582</u>

Expenditure on charitable activities was £7,051,536 (2016: £6,443,582) of which £2,962,106 (2016: £2,537,039) was unrestricted and £4,089,430 (2016: £3,896,543) was restricted.

Notes to the financial statements

For the year ended 31 March 2017

11. Summary analysis of expenditure and related income from charitable activities

The total cost of the four main charitable activities and the sources of income directly to support the activities is summarised below:

	Science Mall £	IMAX Cinema £	Tower £	Education £	Unrestricted and restricted funds	
					2017 Total £	2016 Total £
Expenditure	(4,634,768)	(325,995)	(834,592)	(1,256,181)	(7,051,536)	(6,433,582)
Less: admissions income	1,600,729	-	31,360	174,142	1,806,231	1,613,748
Less: grants	1,367,813	-	-	847,952	2,215,765	3,638,409
Net expenditure	<u>(1,666,226)</u>	<u>(325,995)</u>	<u>(803,232)</u>	<u>(234,087)</u>	<u>(3,029,540)</u>	<u>(1,181,425)</u>

The deficit in the year is met from other income raised by the charity and from unrestricted and restricted financial reserves.

12. Support costs

					Unrestricted and restricted funds	
	Fundraising £	Science Mall £	Tower £	Education £	2017 £	2016 £
Marketing	85,131	130,349	23,472	35,329	274,281	212,335
Facilities Management	415,716	636,530	114,621	172,522	1,339,389	1,177,045
Information Technology	98,218	150,389	27,081	40,760	316,448	240,451
Finance	98,730	151,172	27,222	40,973	318,097	303,575
Human Resources	39,412	60,346	10,867	16,356	126,981	128,752
Management	38,518	58,978	10,620	15,985	124,101	125,067
Corporate Governance	25,157	38,520	6,936	10,440	81,053	75,566
	<u>800,882</u>	<u>1,226,284</u>	<u>220,819</u>	<u>332,365</u>	<u>2,580,350</u>	<u>2,262,791</u>

13. Transfers

Unrestricted funds of £367,478 were transferred during the year to meet funding deficits on various capital renewals of new and existing restricted fixed assets.

14. Taxation on net incoming resources

No tax charge arises on the incoming resources for the year due to the charitable status of Glasgow Science Centre Ltd and Glasgow Science Centre Charitable Trust.

Notes to the financial statements

For the year ended 31 March 2017

15. Tangible fixed assets

Group	Land and Buildings £	Exhibits £	Plant and equipment £	Computer equipment £	Total £
Cost or valuation:					
As at 1 April 2016	54,585,073	11,380,614	2,211,992	541,291	68,718,970
Additions	-	364,106	263,161	322,010	949,277
Disposals	-	(284,622)	(35,486)	(121,503)	(441,611)
As at 31 March 2017	54,585,073	11,460,098	2,439,667	741,798	69,226,636
Depreciation:					
As at 1 April 2016	32,163,478	8,790,401	1,957,382	490,343	43,401,604
Charge for the year	2,100,923	935,788	144,868	131,921	3,313,500
On disposals	-	(284,622)	(35,486)	(121,503)	(441,611)
As at 31 March 2017	34,264,401	9,441,567	2,066,764	500,761	46,273,493
Net book value:					
As at 31 March 2017	20,320,672	2,018,531	372,903	241,037	22,953,143
As at 31 March 2016	22,421,595	2,590,213	254,610	50,948	25,317,366

Included in land and buildings is land owned by Glasgow Science Centre Charitable Trust which is leased to Glasgow Science Centre Limited for 175 years at an annual rental of £1.

The freehold land was valued at its open market value on 24 February 1999 by the District Valuer, Scotland South West at £2,000,000 and given that the Group still has the full beneficial interest the value is deemed to remain unchanged.

Included in land & buildings is the IMAX Cinema at a cost of £7,150k, aggregate depreciation £4,821k and net book value of £2,329k. This asset was leased on 24 July 2013 by Glasgow Science Centre Limited to Glasgow Science Centre (Trading) Limited for a minimum period of 10 years. On the same date Glasgow Science Centre (Trading) Limited sub-leased the IMAX Cinema to Cineworld Cinemas Limited for a minimum period of 10 years.

Included in exhibits is the sum of £83,170 (2016: £88,639) in respect of the new exhibitions and exhibit spaces in development for which no depreciation has been charged during the year.

Included in computer equipment is the sum of £23,981 (2016: £0) in respect of the upgrade of the GSC website which has not yet been completed and therefore no depreciation has been charged during the year.

All fixed assets are primarily held to provide services to GSC's customers rather than for generating cash flows and therefore it is considered more appropriate to regard value in use as the present value of the asset's service potential rather than the present value of the asset's cash flows. The Trustees consider the depreciated cost of the asset to be the most relevant and reliable means of measuring an asset's service potential.

The Trustees do not believe that there has been any impairment of service potential of any assets during the year.

Notes to the financial statements

For the year ended 31 March 2017

16. Investment in subsidiary undertakings

	2017	2016
	£	£
Cost		
Investment in subsidiary undertakings	3	3
	<u>3</u>	<u>3</u>

The investment in subsidiary undertakings represents a holding of 100% of the issued ordinary shares of £1, in Glasgow Science Centre Limited and Glasgow Science Centre (Trading) Limited.

The income, expenditure, assets and liabilities of each subsidiary is detailed below:

	2017		2016	
	GSC Limited	GSC (Trading) Limited	GSC Limited	GSC (Trading) Limited
	£	£	£	£
Income	5,340,879	2,796,986	5,376,758	3,682,068
Expenditure	(8,010,011)	(2,312,870)	(7,538,933)	(2,939,268)
Gift aid payment	-	484,116	-	742,800
Assets	24,870,155	1,220,779	29,699,023	1,453,555
Liabilities	(1,128,867)	(1,220,777)	(2,486,496)	(1,453,553)
Net assets	<u>23,741,288</u>	<u>2</u>	<u>27,212,527</u>	<u>2</u>

17. Debtors

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	285,088	270,635	-	-
Amounts owed by GSC Endowment Fund	175,000	176,369	-	-
Prepayments and accrued income	434,773	436,232	-	-
Other debtors	12,109	240,889	-	-
	<u>906,970</u>	<u>1,124,125</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

For the year ended 31 March 2017

18. Creditors: amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	201,884	336,127	-	-
Tax and social security costs	-	67,968	-	-
Accruals and prepaid income	1,171,162	1,672,728	-	-
Other creditors	82,913	42,516	-	-
	<u>1,455,959</u>	<u>2,119,339</u>	<u>-</u>	<u>-</u>

Included within accruals and prepaid income is the sum of £981,629 (2015: £1,514,935) in respect of income received in advance and/or is subject to performance related criteria. This income is released in or over the specified future period that it relates to and/or when the performance related criteria are achieved. The movement in the year is summarised below:

	Balance at 1 April 2016	Receipts	Released to SOFA	Balance at 31 March 2017
	£	£	£	£
Advanced Income				
Performance related grants	1,132,368	1,620,736	(2,168,150)	584,954
Admissions income	139,584	1,832,631	(1,806,231)	165,984
Experience development services	102,920	132,567	(188,814)	46,673
Corporate events	54,077	962,902	(926,333)	90,646
IMAX rent & service charge	49,069	256,591	(244,462)	61,198
Whitelee service charge	30,138	314,432	(323,949)	20,621
Car parking	6,179	318,928	(317,492)	7,615
Other	-	3,338	-	3,338
Berthing	600	5,554	(5,554)	600
	<u>1,514,935</u>	<u>5,447,679</u>	<u>(5,980,985)</u>	<u>981,629</u>

Notes to the financial statements

For the year ended 31 March 2017

19. Restricted funds

Group	Balance at 1 April £	Incoming resources £	Outgoings/ Transfers £	Balance at 31 March £
Science Centre - Fixed Assets	25,317,366	949,277	(3,313,500)	22,953,143
GSC Endowment Fund - Capital Renewals	-	166,907	(166,907)	-
Powering the Future Exhibition	-	12,758	(12,758)	-
Quantum Technologies Exhibition	-	58,974	(58,974)	-
Environmental Exhibits	-	58,701	(58,701)	-
Space Exhibits	-	19,823	(19,823)	-
Other Exhibit Projects	-	5,551	(5,551)	-
My World of Work Live	-	156,002	(156,002)	-
Outreach - Bodyworks on Tour	-	284,719	(284,719)	-
City of Science	29,243	110,120	(111,129)	28,234
Transport Grant/Community Subsidy	-	90,000	(90,000)	-
Free Access for Schools	-	92,755	(92,755)	-
Digital Initiatives	-	111,244	(111,244)	-
D Elder Lecture Series	14,030	7,615	(10,799)	10,846
OPAL	-	35,070	(35,070)	-
RSC Co-ordinator	-	38,113	(38,113)	-
Crunch Programme	-	25,000	(25,000)	-
Other Programmes	-	8,413	(8,413)	-
	<u>25,360,639</u>	<u>2,231,042</u>	<u>(4,599,458)</u>	<u>22,992,223</u>

The restricted funds represent the capital cost of assets held for the purposes of delivering the Group's charitable activities and various funds for the delivery of science education and other projects.

20. Unrestricted funds

Group	Balance at 1 April £	Incoming resources £	Outgoings/ Transfers £	Balance at 31 March £
General reserve	691,599	5,969,843	(5,912,127)	749,315
Designated funds	358,499	-	(358,499)	-
	<u>1,050,098</u>	<u>5,969,843</u>	<u>(6,270,626)</u>	<u>749,315</u>
Charity				
General reserve	321	-	(68)	253

Notes to the financial statements

For the year ended 31 March 2017

21. Analysis of fund balances between net assets

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	-	22,953,143	22,953,143
Net current assets	749,315	39,080	788,395
	<u>749,315</u>	<u>22,992,223</u>	<u>23,741,538</u>

22. Financial commitments

The group has no financial commitments under non-cancellable financial agreements (2016: None).

23. Capital and major repair commitments

At 31 March 2017 the company had capital commitments for the creation of a new exhibition on Floor 1 of £61,380 and for the upgrade of the GSC website of £35,972 all of which have been contracted (2016: creation of Quantum Technologies exhibition of £40,910, all of which had been contracted). The funding to meet these commitments has been secured.

24. Contingent liabilities

Funding contracts with the Millennium Commission and Scottish Enterprise Glasgow (including ERDF) for the original construction of the Science Centre provide for the repayment of the whole or any part of the total grant of £69.5m (MC £36.2m, SEG £13.6m, SEG (ERDF) £19.7m) should an event of default occur. Events of default are defined as follows:

- insolvency of the charity
- misuse of grant
- successful completion does not, or becomes unlikely to occur
- breach of obligations
- change of project purpose
- fraud and negligence
- material misrepresentation
- change of ownership, composition or structure of the charity

At the date of signing of these financial statements the Trustees know of no event of default that would result in a repayment of grant.

Both Scottish Enterprise Glasgow and the Millennium Commission have a bond and floating charge over the assets of the Group as security for their grant funding.

25. Share capital

The company does not have a share capital and is limited by guarantee. The liability of members is limited to £1 each. At 31 March 2017 the company had one member, Scottish Enterprise Glasgow.

26. Ultimate parent undertaking

The company's immediate parent undertaking is Scottish Enterprise Glasgow. The ultimate parent undertaking is Scottish Enterprise. Group financial statements can be obtained from Scottish Enterprise, Atrium Court, 50 Waterloo Street, Glasgow, G2 6HQ.

27. Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard 8 not to disclose details of intra-group transactions, on the grounds that transactions are within the group and are fully eliminated on consolidation.